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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

BEFORE THE
Federal Communications Commission
WASHINGTON, D.C.

In The Matter Of)
Amendment Of Section 2.106 Of The Commission's) ET Docket No. 95-18
Rules To Allocate Spectrum At 2 GHz For Use By)
The Mobile-Satellite Service)

**REPLY COMMENTS OF
THE CELLULAR TELECOMMUNICATIONS INDUSTRY ASSOCIATION**

The Cellular Telecommunications Industry Association ("CTIA")¹ hereby submits its
Reply Comments in the above captioned proceeding.²

I. INTRODUCTION

In these Reply Comments, CTIA comments on the Commission's proposal to reallocate
40 MHz of spectrum in the 2110-2150 MHz band generally to fixed and mobile uses.³ The
Commission's consideration of crucial spectrum allocation issues in one paragraph of a
proceeding that primarily involves Mobile Satellite Services ("MSS") issues may account for the
relative paucity of comments filed by the CMRS and fixed service community -- the

¹ CTIA is the international organization of the wireless communications industry for both
wireless carriers and manufacturers. Membership in the association covers all
Commercial Mobile Radio Service ("CMRS") providers and manufacturers, including 48
of the 50 largest cellular and broadband personal communications service ("PCS")
providers. CTIA represents more broadband PCS carriers and more cellular carriers than
any other trade association.

² Amendment Of Section 2.106 Of The Commission's Rules To Allocate Spectrum At 2
GHz For Use By The Mobile-Satellite Service, ET Docket No. 95-18, *Memorandum
Opinion and Order and Third Notice of Proposed Rule Making and Order*, FCC 98-309
(rel. Nov. 25, 1998) ("Notice").

³ Id. at ¶ 30.

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Commission's intended beneficiaries of the spectrum. For the reasons stated below, CTIA believes that the Commission should address the complex issues associated with spectrum reallocation in a separate rule making.

II. THE COMMISSION SHOULD CONSIDER THE ISSUE OF ALLOCATION OF THE 2110-2150 MHz BAND IN A SEPARATE NOTICE OF PROPOSED RULE MAKING.

The Commission should determine the appropriate allocation of the 2110-2150 MHz band in a separate notice of proposed rule making devoted specifically to these reallocation issues. CTIA believes that a separate rule making is needed to ascertain appropriate market uses and demand for this band. Specifically, the Commission should examine these issues perhaps in the wireless Section 706 proceeding or some other targeted forum. This issue should also be one of the focal points of the Commission's upcoming "Wireless Day" discussion.⁴

This proceeding generally illustrates the complexities associated with proper spectrum management. CTIA understands the Commission's statutory obligation to act expeditiously in assigning such spectrum by auction.⁵ But the Commission should not, nor is there a need to, sacrifice attention to crucial detail in the allocation process to comply with Congress' directive to auction and license the spectrum by a date certain. One has only to look at the wireless communications services ("WCS") proceeding to understand the fundamental importance of

⁴ See Chairman William E. Kennard, "Crossing Into the Wireless Century," Address before the CTIA Convention, at p. 4 (Feb. 9, 1999) ("Later this Spring, the FCC will hold a meeting dedicated solely to wireless issues. On this "Wireless Day," we will focus on matters that are important to the growth of the wireless industry, and do so in a way that looks at the whole wireless picture.")

⁵ Balanced Budget Act of 1997, P.L. No. 105-33, § 3002(c), 111 Stat. 251, 261 (1997) (the Commission is obligated to reallocate the 2110-2150 MHz block for reassignment by auction by September 30, 2002).

careful consideration of spectrum allocation issues.⁶ When the Commission's allocation process was hurried, it produced questionable determinations⁷ that resulted, among other things, in undervaluation of licenses in the subsequent auction. While CTIA supports flexible assignment policies and flexible use of licensed spectrum, flexible allocations are problematic.⁸ The Commission should keep this lesson in mind when allocating the 40 MHz at issue here.

Moreover, the Commission should not allocate spectrum in a vacuum by failing to consider international allocation issues. The 2110-2150 MHz band specifically was allocated by the International Telecommunications Union at the 1992 World Radio Conference for advanced public mobile services such as IMT 2000 third generation ("3G") wireless services.⁹ The Commission, in reallocating the 2110-2150 MHz band, should specifically consider international allocation issues as part of its inquiry.

⁶ Fortunately for the Commission and the public interest, unlike the situation for WCS, Congress has afforded the Commission more than six months to allocate and commence auctioning the 2110-2150 MHz band. See Omnibus Consolidated Appropriations Act, 1997, P.L. 104-208, § 3001, 110 Stat. 3009, 3009-499 (1996) (in accordance with Section 3001 of this Act, the Commission was required to commence competitive bidding to assign the spectrum by April 15, 1997, and was required to collect all proceeds from the bidding process by September 30, 1997).

⁷ See Amendment of the Commission's Rules to Establish Part 27, the Wireless Communications Service ("WCS"), GN Docket No. 96-228, Report and Order, 12 FCC Red. 10785, at ¶ 25 (1997) (allocating the WCS spectrum on a primary basis for fixed, mobile, radiolocation, and broadcasting-satellite (sound) services). The Commission noted that its decision to make a flexible allocation was "based on the totality of the circumstances and the facts particular to this proceeding, not the least of which is the short time mandated by Congress to bring this spectrum to auction." Id. at ¶ 27.

⁸ See Comments of CTIA in GN Docket No. 96-228, at 3-12 (filed Dec. 4, 1996).

⁹ See Comments of the Wireless Communications Division of the Telecommunications Industry Association at 4-6.

III. CONCLUSION

For these reasons, CTIA respectfully requests that the Commission adopt the proposal made herein to determine the appropriate allocation of the 40 MHz of spectrum in the 2110-2150 MHz band in a separate notice of proposed rule making.

Respectfully submitted,

**CELLULAR TELECOMMUNICATIONS
INDUSTRY ASSOCIATION**

A handwritten signature in black ink, appearing to read "Michael Altschul", is written over a horizontal line.

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CERTIFICATE OF SERVICE

I, Jill K. Brunt, do hereby certify that copies of the foregoing **REPLY COMMENTS OF THE CELLULAR TELECOMMUNICATIONS INDUSTRY ASSOCIATION** were delivered, via first class mail, postage pre-paid, or by hand delivery (*), on this 5th day of March, 1999, to the following:

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